

27 SEP 1948

Approved For Release 2006/03/15 : CIA-RDP78-01617A006000040005-3

~~TOP SECRET~~

25X1

GENERAL

1. Possible reopening of Austrian treaty negotiations--According to US Minister Erhardt in Vienna, Austrian Foreign Minister Gruber has informed the Soviet Political Representative that Austria is prepared to request the western powers to reopen negotiations toward an Austrian treaty immediately after the USSR has indicated that a change in Austrian frontiers is not an indispensable condition of Soviet agreement in such a treaty.

(CIA Comment: CIA believes that the Kremlin may be willing to resume four-power negotiations on these terms. The USSR is unlikely to allow the Yugoslav claims on the Austrian frontiers, which it never seriously sponsored in the past, to block a reopening of treaty discussions now.)

25X1

FAR EAST

2. CHINA: Serious repercussions from fall of Tsinan expected--US Embassy Nanking believes that the fall of Tsinan on 24 September will have serious repercussions on the National Government. The Embassy observes that public confidence in the ability of the Government to survive will reach a new low and that this loss of confidence will almost certainly have immediate and severe economic effects.

(CIA Comment: CIA concurs with Embassy Nanking's view and believes that the National Government is now entering a military, economic, and political crisis of unprecedented severity.)

State Department review completed

Document No. 76

NO CHANGE in Class. ☐

☒ DECLASSIFIED

Class. CHANGED TO: TS S C

DDA Memo, 4 Apr 77  
Auth: DDA REG. 77/1763

Date: 15 MAR 1978

25X1

~~TOP SECRET~~

Approved For Release 2006/03/15 : CIA-RDP78-01617A006000040005-3